Publication Date : April 30, 2008

Oneok, Inc.

Company Info

Ticker	OKE
Meeting	Annual May 15, 2008
Record Date	March 18, 2008
Incorporated	Oklahoma

Diversified energy company (GICS:55102010)

Shareholder Returns

	1 yr%	3 yr%	5 yr%
Company	6.90	20.32	22.67
Russell 3000	3.30	6.98	11.65
GICS peers	23.26	27.94	28.95

Annualized shareholder returns. Peer group is based on companies inside the same "Global Industry Classification Standard" code

CGQ Rating

Index Score	68
Industry Score	59

OKE outperformed 68% of the companies in the S&P 400 and 59% of the companies in the Utilities group.

ISS calculate governance rankings for more than 8,000 companies worldwide based on up to 63 corporate governance variables.

Report Contents

Recommendations - US Standard Policy

Item	Code*	Proposal	Mgt. Rec.	ISS Rec.
1.1	M0201	Elect Director James C. Day	FOR	FOR
1.2	M0201	Elect Director David L. Kyle	FOR	FOR
1.3	M0201	Elect Director Bert H. Mackie	FOR	FOR
1.4	M0201	Elect Director Jim W. Mogg	FOR	FOR
1.5	M0201	Elect Director Mollie B. Williford	FOR	FOR
1.6	M0201	Elect Director Julie H. Edwards	FOR	FOR
2	M0204	Approve Decrease in Size of Board	FOR	FOR
3	M0215	Declassify the Board of Directors	FOR	FOR
4	**M0524**	**Amend Omnibus Stock Plan**	**FOR**	**AGAINST**
5	M0512	Amend Qualified Employee Stock Purchase Plan	FOR	FOR
6	**M0509**	**Amend Restricted Stock Plan**	**FOR**	**AGAINST**
7	M0101	Ratify Auditors	FOR	FOR
8	**S0743**	**Adopt Quantitative GHG Goals From Operations**	**AGAINST**	**FOR**

*S indicates shareholder proposal

Corporate Governance Profile

Governance Provisions:

- The board of directors is classified
- Shareholders do not have cumulative voting rights in director elections
- The company has a poison pill in place
- A supermajority vote of shareholders is required to amend certain provisions of the charter or bylaws
- A supermajority vote of shareholders is required to approve certain types of mergers or business combinations
- Shareholders may not act by written consent
- Shareholders may not call special meetings
- The board may amend the bylaws without shareholder approval
- There is not a dual class capital structure in place
- Executives are subject to stock ownership guidelines
- Directors are subject to stock ownership guidelines

Non-Shareholder Approved Incentive Plans:

- All stock-based incentive plans have been approved by shareholders

State Statutes:

- The company is incorporated in a state with anti-takeover provisions
- The company has opted out of the control share acquisition statute
- The company is incorporated in a state without a cash out statute
- The company is subject to a freezeout provision
- The company is incorporated in a state without a fair price provision
- The company is incorporated in a state without stakeholder laws
- The state of incorporation does not endorse poison pills

ISS Corporate Governance Rating

Governance Factor	Positive	Negative
The audit committee is comprised solely of independent outside directors	x	
The average annual burn rate over the past three fiscal years is 2% or less, or is within one standard deviation of the industry mean	x	
Directors are subject to stock ownership guidelines	x	
Executives are subject to stock ownership guidelines	x	
The company has a poison pill in place		x
The board of directors is classified		x
There is no disclosure of mandatory holding periods for restricted stock after vesting		x
There is no disclosure of mandatory holding periods for stock acquired upon exercise of options		x

Equity Capital

Type	Votes per share	Issued
Common Stock	1.00	104,287,883

Ownership - Common Stock	Number of Shares	Percent of Class
Barclays Global Investors NA (CA)	6,791,089	6.53
ONEOK EMPLOYEE THRIFT PLANS	5,914,144	5.68
Blue Harbour Group	4,236,193	4.07
Cramer Rosenthal McGlynn LLC	3,574,344	3.44
Earnest Partners LLC	3,460,506	3.33
Sasco Capital, Inc.	3,423,450	3.29
Vanguard Group, Inc.	2,483,430	2.39
Renaissance Technologies Corp.	2,380,300	2.29
JPMorgan Asset Management, Inc. (US)	2,226,627	2.14
W. H. Reaves & Co., Inc.	2,135,221	2.05
Charles Schwab Investment Management, Inc.	1,905,427	1.83
Jennison Associates LLC	1,883,500	1.81
State Street Global Advisors	1,867,415	1.80
Jennison Sector-Utility Fund	1,833,600	1.76
CRM Mid Cap Value Fund	1,771,600	1.70
Goldman Sachs & Co.	1,448,633	1.39
JPMorgan Mid Cap Value Fund	1,307,103	1.26
New York State Teachers Retirement System	1,259,800	1.21
iShares Dow Jones Select Dividend Index Fund	1,059,210	1.02
Harris Investment Management, Inc.	1,031,869	0.99

As of: 03/01/2008

Audit Summary

Accountants	PricewaterhouseCoopers LLP
Auditor Tenure	1
Audit Fees	
Audit Fees :	$ 943,120.00
Audit-Related Fees:	$0.00
Tax Compliance/Preparation*:	$0.00
Other Fees:	$93,118.00
Percentage of total fees attributable to non-audit ("other") fees:	8.99%

* Note: Only includes tax compliance/tax return preparation fees. If the proxy disclosure does not indicate the nature of the tax services, those fees will appear in the "other" column.

Board Profile

Nominees

Classification

Committee (C = chair, F= financial expert)

Name	Company	ISS	Affiliation	Term Ends	Tenure	Age	Audit	Comp	Nom	Outside Boards	Outside CEO
James C. Day	Independent	Independent Outsider		2011	4	64	F	M		1	
Julie H. Edwards[1]	Independent	Independent Outsider		2009	NEW	49	F		M	2	
David L. Kyle[3]	Not Independent	Insider	Chair	2011	13	55				0	
Bert H. Mackie	Independent	Independent Outsider		2011	19	65		C		0	
Jim W. Mogg	Independent	Independent Outsider		2011	NEW	59		M	M	1	
Mollie B. Williford[4]	Not Independent	Affiliated Outsider	Transactional Relationship	2011	5	71				0	

Continuing Directors

Name	Company	ISS	Affiliation	Term Ends	Tenure	Age	Audit	Comp	Nom	Outside Boards	Outside CEO
William L. Ford[2]	Independent	Independent Outsider		2009	27	65		M	M	0	
John W. Gibson	Not Independent	Insider	CEO	2010	2	55				0	
Pattye L. Moore	Independent	Independent Outsider	Lead Director	2010	6	49			C	1	
Gary D. Parker	Independent	Independent Outsider		2009	17	62	C F			0	
Eduardo A. Rodriguez	Independent	Independent Outsider		2009	4	52	M		M	0	
David J. Tippeconnic	Independent	Independent Outsider		2010	2	68	F	M		1	

Notes

1 . Julie H. Edwards previously served on the board from January 15, 2004 until July 1, 2005. Source: ONEOK, Inc., most recent Proxy Statement, p. 20.
2 . The company received approximately $418,000 from Shawnee Milling Company for sales of natural gas during 2007. William L. Ford is the president of that firm. The amount of fees received by the company does not qualify as material under ISS' definition of independence. The board attested the independence of this director under NYSE rules. Source: ONEOK, Inc., most recent Proxy Statement, pp. 9 and 75.
3 . David L. Kyle, chairman of the board, is an executive officer of the company. He served as CEO of the company from August 28, 2000 until 2006. Source: ONEOK, Inc., most recent Proxy Statement, pp. 18 and 71, and most recent Annual Report, p. 14.
4 . Williford Energy Company and its affliates received approximately $1,663,000 from the company for sales of natural gas and natural gas liquids during 2007. Mollie B. Williford is the chairman of the board of that firm. The board has also not determined that Ms. Williford is independent under the NYSE listing standards. Source: ONEOK, Inc., most recent Proxy Statement, pp. 9 and 75.

Independence

	Number of Directors	Number of Insiders	Number of Affiliated	Percent Independent
Board	12	2	1	75%
Audit	5	0	0	100%
Compensation	5	0	0	100%
Nominating	5	0	0	100%

Vote Standard

The company has adopted a majority vote standard (of shares cast) for the election of directors with a plurality carve-out for contested elections, and has a director resignation policy in its governance guidelines.

Summary Information

Average age	60
Average tenure	8
Average outside boards per director	0.5
Percent of directors who have attended an ISS Accredited Program	33%
Percent of directors who are outside CEOs	0%
Directors with less than 75% attendance	None
Directors who do not own company stock	None

All Current Executive Officers and Directors Beneficial Ownership Percentage	1.30%

Director Profile

Nominees

Name	Primary Employment	Public Boards	Interlock***	Common Shares Presently Held	Number of Disclosable Options**	Percentage of TVP	Total Compensation
James C. Day	Retired	Tidewater Inc., Oneok, Inc.		17,913	0	<1%	161,130
Julie H. Edwards	Retired	Noble Corporation, NATCO Group, Inc., Oneok, Inc.		6,584	0	<1%	128,009
David L. Kyle	Chairman - Oneok, Inc.	Oneok, Inc.		582,099	196,763	<1%	*
Bert H. Mackie	Financial Services	Oneok, Inc.		40,634	0	<1%	170,459
Jim W. Mogg	Retired	Bill Barrett Corporation, Oneok, Inc.		2,276	0	<1%	126,509
Mollie B. Williford	Other	Oneok, Inc.		33,867	10,000	<1%	145,380

Continuing Directors

Name	Primary Employment	Public Boards	Interlock***	Common Shares Presently Held	Number of Disclosable Options	Percentage of TVP**	Total Compensation
William L. Ford	Other	Oneok, Inc.		66,826	0	<1%	158,130
John W. Gibson	CEO - Oneok, Inc.	Oneok, Inc.		162,896	59,948	<1%	*
Pattye L. Moore	Consultant	Red Robin Gourmet Burgers, Oneok, Inc.		43,130	20,000	<1%	167,524
Gary D. Parker	Accountant	Oneok, Inc.		35,301	0	<1%	178,459
Eduardo A. Rodriguez	Consultant	Oneok, Inc.		7,637	0	<1%	159,630
David J. Tippeconnic	Other	Matrix Service Co., Oneok, Inc.		4,904	0	<1%	161,130

Notes

*For executive director data, please refer to the "Executive Compensation" section

**Common shares which can be acquired upon exercise of options within 60 days

***An interlocking board relationship is defined as a situation where an executive of the current company sits on the board of a company where the director is an executive.

Governance Comments

The common shares presently held by the directors and offices include shares of phantom stock equivalent to 144462 shares as a group.

Company Financials

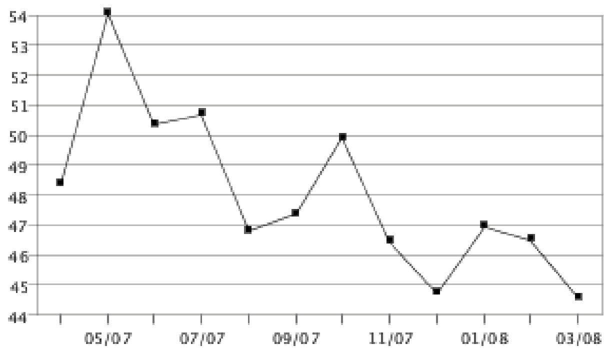
Stock Snapshot

Industry: Gas Utilities	
Closing Price	$44.77
Shares Outstanding	104.0M
Market Cap	$4655.5M
Book Value/share	$18.94
Dividend Yield	3.1%
Annual Dividend	$1.40
Sales/share	$129.61
EPS	$2.84
Price to Earnings	15.8
Price to book value	2.4
Price to cash flow	8.7
Price to sales	0.3
YTD Performance	3.8%

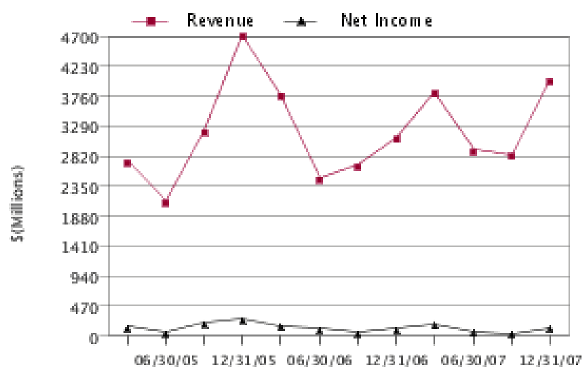
Historical Financial Performance

Profit & Loss	2007	2006	2005
Revenue	13,477	11,896	12,676
Operating Income after Dep.	821	746	535
Net Income	305	306	547
Working Capital	70	1,174	(390)
EBITDA	1,049	981	718
Cash Flow	**2007**	**2006**	**2005**
Operating Activities ($ Flow)	1,030	873	(180)
Total cash from investing	(1,152)	(237)	(533)
Total cash from financing	73	(619)	712
Net change in cash	(49)	17	(2)

Price Performance



Revenue/Income Performance



Comparative Performance	OKE	ATO	UGI	GAS	NJR	STR
Gross Margin	7.8%	10.2%	12.3%	11.7%	5.5%	44.4%
Profit Margin	5.1%	4.5%	8.0%	5.8%	3.5%	29.3%
Operating Margin	6.1%	6.9%	9.2%	6.5%	4.3%	31.3%
EBITD Margin	7.8	10.2	12.3	11.7	5.5	44.8
Return on Equity	15.5%	8.6%	15.5%	14.3%	10.1%	19.7%
Return on Investment	4.4%	4.1%	5.8%	9.9%	6.4%	14.1%
Return on Assets	2.8%	2.9%	3.7%	3.2%	2.9%	8.5%
P/E	15.8	14.6	13.5	14.2	21.2	N/A
Quick Ratio	0.6	0.5	0.7	0.6	0.2	0.4
Current Ratio	1.0	1.2	1.1	0.8	1.1	0.7
Debt/Assets	43.7	38.7	40.9	20.4	28.9	23.3
Debt/Equity	245.7	116.0	170.4	91.8	99.9	53.7
Total Return	**OKE**	**ATO**	**UGI**	**GAS**	**NJR**	**STR**
1 Yr TSR	6.90%	3.34%	9.15%	-5.62%	3.69%	31.55%
3 Yr TSR	20.32%	8.63%	14.89%	9.37%	9.50%	30.04%
5 Yr TSR	22.67%	10.66%	20.24%	9.61%	12.11%	33.35%

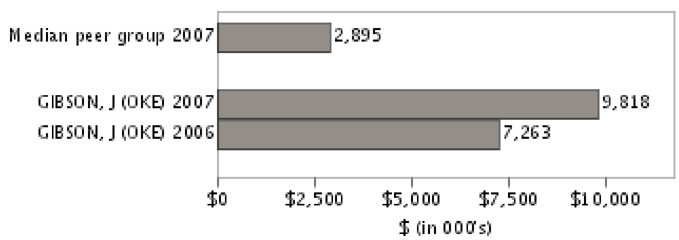
Note: Shaded cells in the Comparative Performance table identify the company with the highest performance.

Source: Standard & Poor's Xpressfeed
Note: Data in the tables above is based on fiscal-year end. Data in the charts above is based on the most recent month-end.
For a list of frequently asked questions, go to http://www.riskmetrics.com/issgovernance/research/companyfinancialsFAQ.html

Executive Compensation

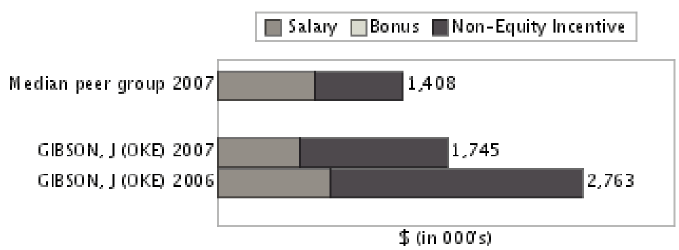
In 2006, the SEC updated disclosure requirements on executive and director compensation and called for more information on pension, deferred compensation and severance agreements. The new requirements were first included in the 2007 proxy statements for companies with fiscal years ending on or after December 15, 2006. Companies whose fiscal years ended before that date (e.g. September fiscal year ends) were not required to file under the new requirements until 2008. During the 2008 proxy season, certain companies may file under the new rules for the first time, while other companies will be filing for the second year. As such, year over year comparison of pay data will be presented for companies that are filing for the second year. All compensation data, with the exception of stock awards and options valuation, are taken from the company's most recent proxy statement. Stock awards and options are valued under the full grant date fair value rather than the amortized value over the requisite service period. Also, the estimated present value of stock options is determined under full-term assumptions. For a complete listing of frequently asked questions, go to http://www.equilar.com/iss/iss_faq.html

Total Compensation



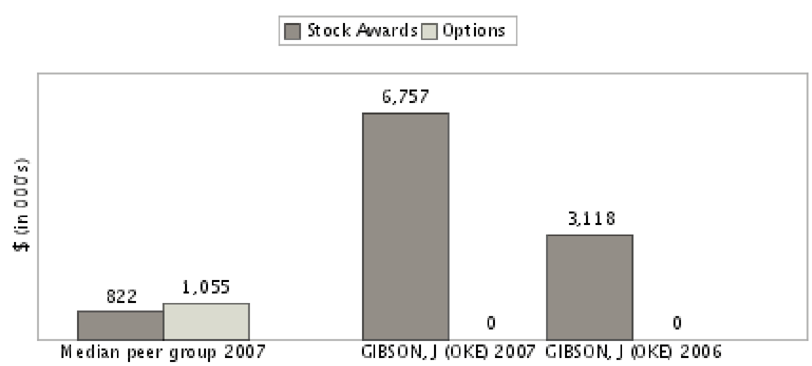
This chart shows a comparison of total compensation for the company's CEO and the median of a peer group for the most recent fiscal year.[1 2] Total compensation is the sum of all pay components as reported in the summary compensation table by the company. The calculated total compensation figure will not match with the company's disclosed total compensation because stock awards and options are valued under the full grant date fair value rather than the amortized value over the requisite service period. Additionally, options are valued under full-term assumptions. Performance shares are based on target values.

Salary, Bonus and Non-Equity Incentive Awards



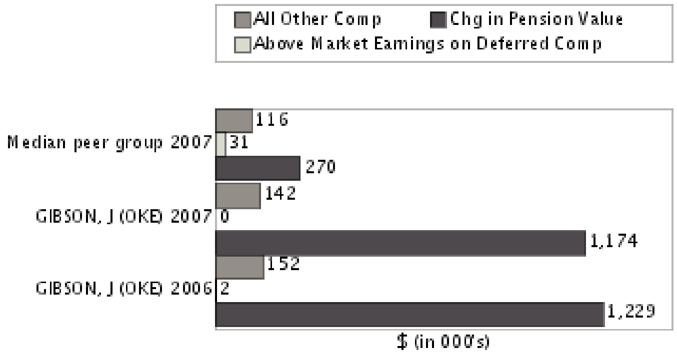
This chart shows a comparison of salary, bonus and non-equity incentive awards for the company's CEO and the median of a peer group for the most recent fiscal year.[1 2] Bonus may include discretionary or guaranteed amounts. Non-equity incentive awards may include annual performance-based cash bonus, multi-year performance cash award, or awards where performance measures are not stock price driven and are not settled in company's stock.

Stock Awards and Option Awards



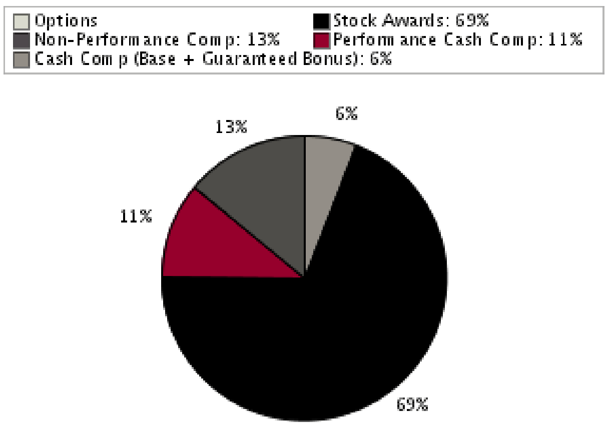
This chart shows the different types of equity plan awards. Stock awards and options values will not match with the company's disclosure as they are valued under the full grant date fair value rather than the amortized value over the requisite service period. The value of stock awards reflects the full grant date value under FAS 123R. Performance shares are based on target values. The estimated present value of options is determined under full-term assumptions.

Change in Pension Value and Deferred Compensation and All Other Compensation



This chart shows the aggregate increase in actuarial value of pension plans, above-market earnings on deferred compensation and all other compensation, which may include, but are not limited to, the following items: perquisites, tax gross-ups, dividends paid on stock or option awards or life insurance premiums. The median group calculation includes companies that do not provide pension and preferential earnings in deferred compensation.

Compensation Mix for Most Recent Fiscal Year



This chart shows the percentage of executive compensation that came from five key areas - Cash compensation, stock awards, options, performance cash compensation and non-performance compensation (which may include perks, tax gross-ups, annual company contributions to vested and unvested defined contribution plans, insurance premiums, dividends paid on stock or options and other compensation not disclosed in other columns).

CEO Stats

General	
Age	55
Tenure	2
# of Outside Boards	0
Outside Boards *	NA
Committees at Outside Boards *	NA
Retirement Data	**Qualified & Non-Qualified Plan**
Present Value of Accumulated Benefit	$3,220,323
Equity Compensation	
Did the company grant performance-contingent options last FY?	NA
Did the company grant premium-priced options last FY?	NA
Did the company grant discount options last FY?	NA
Did the company grant performance-contingent stock awards last FY?	Yes
What were the specific performance measures?	TSR
Other Stats	
CEO pay as % of company revenue (CEO total comp/revenue)	0.07%
CEO pay as % of company net income (CEO total comp/net income)	3.22%

* As of the most recent annual meeting date of the other companies listed.

Company Financials

Change in Total Direct Compensation vs. Stock and Financial Measures

	% chg in TDC (2007-2006)[3]	1-yr TSR %	3-yr TSR %	Revenue ($MM)	% Chg in Revenue
GIBSON, J	NA	6.90%	20.32%	$13,477	13.29%
Peer Group Avg.	-3.96%	6.49%	12.35%	$2,998.44	-1.02%

CFO and Other Named Executive Officers ($ in 000s)

	Principal Financial Officer	Subject Company Other Three Named Execs*	Top Five Named Execs
Base	$300	$1,700	$2,620
Bonus + Non-Equity Incentive	$380	$1,160	$2,665
Stock Awards	$413	$3,309	$10,479
Options	$0	$0	$0
Chg in Pension value	$96	$3,699	$4,968
Above Market Earning on Deferred Comp	$0	$2	$2
All Other Comp	$29	$278	$448
Total	$1,217	$10,147	$21,183
As a Multiple of Net Income	0.40%	3.33%	6.95%
As a Multiple of Revenue	0.01%	0.08%	0.16%

* Values equate to aggregate totals of those other named executives. Positions include: President and Chief Operating Officer, Chairman of the Board of Directors, President, ONEOK Distribution Companies

Footnotes

1. The company's peer group will generally contain 12 companies based in the six-digit Global Industry Classification Standard (GICS) and the fiscal year revenue closest to the company. If there are insufficient companies within the six-digit GICS, peer companies would be supplemented from the four-digit GICS. For 2007, companies will be required to provide enhanced disclosure under the updated SEC rules. As companies file their proxy statements at various times during the year, the company's peer group, as determined by ISS, may not contain all 12 companies. A minimum of eight companies will be required for the median figure to be calculated. The peer group does not represent the financial or compensation peer groups that may be disclosed in the company's proxy statement. References made to the peer group of 12 companies are only relevant to this page. GICS represents the global industry classification standard indices developed by Standard & Poor's and Morgan Stanley Capital International.
2. List of peer companies: AGL Resources Inc., Atmos Energy Corp., The Laclede Group, Inc., National Fuel Gas Co. New Jersey Resources Corp., Nicor Inc., Piedmont Natural Gas Co., Inc., Questar Corp. Southern Union Co., Southwest Gas Corporation, UGI Corp., WGL Holdings, Inc.
3. Under the new SEC disclosure rules, companies will not be required to restate compensation for the previous two years. The year-over-year comparison does not apply for the first effective year under the revised SEC disclosure requirements on executive compensation. Companies filing for the second year will show either an increase or decrease in total direct compensation from the prior year.

Source: Equilar - Executive Compensation, Standard & Poor's Research Insight - Financial

Vote Results

Vote Results for 05/17/2007 Annual meeting

Proposal	Mgmnt Rec	Vote Requirement	Base	Result	% For
1.1. Elect Director William M. Bell	For	NA		Not Disclosed	0.00
1.2. Elect Director John W. Gibson	For	NA		Not Disclosed	0.00
1.3. Elect Director Pattye L. Moore	For	NA		Not Disclosed	0.00
1.4. Elect Director David J. Tippeconnic	For	NA		Not Disclosed	0.00
2. Separate Chairman and CEO Positions	Against	NA		Not Disclosed	0.00

Notes

1. Vote results are for the most recent annual meeting.
2. Abbreviations for the "Base" identifier are as follows: F+A - For and Against; F+A+AB - For, Against and Abstain; Outstanding - Outstanding shares.

Proposals

Items 1.1-1.6: Elect Directors — FOR

Executive Compensation Review (SERP)

The board adopted a 2005 Supplemental Executive Retirement Plan which provides comparable benefits for officers and a select group of management or highly compensated employees. According to the proxy statement, John W. Gibson's present value of accumulated benefit for all pension plans is $3,220,323 based on 17.33 years of credited service. For purposes of calculating Mr. Gibson’s benefits under the 2005 SERP, this amount includes ten additional years of service This additional ten years of service results in a benefit augmentation with an actuarial present value of $1,857,878, or $22,258 per month.

SERPs are different from typical qualified pension plans in two ways. First, they do not receive the favorable tax deductions enjoyed by qualified plans. The company pays taxes on the income it must generate in order to pay the executive in retirement. Therefore, the executive's tax obligation is shifted to the company. Second, SERPs typically guarantee fixed payments to the executive for life. Executive benefits are entitlements and are not driven or linked to a company's or individual's performance. The practice of crediting additional years of service not worked has the effect of creating substantial lifetime costs to the company and its shareholders.

Board Information

The Corporate Governance Committee serves as the nominating committee.

- A substantial majority of the board members are independent outsiders.

- The key board committees include no insiders or affiliated outsiders.

Vote FOR Items 1.1-1.6. *US Standard Policy*

Item 2: Approve Decrease in Size of Board — FOR

This proposal seeks shareholder approval to amend the company's certificate of incorporation to decrease the maximum number of board seats to 21, from 31 seats.

There are currently 12 directors on the board. The board believes that 31 persons is an excessive maximum number and it would be neither feasible nor practical to have 31 directors. Thus, 21 persons is an appropriate number of directors. Upon sharehoder approval, the number of directors shall not be less than nine or more than 21 persons.

Empirical evidence has shown that board size is not an indicator of performance. Proposals concerning board size should be evaluated based on management's stated motive for the change.

In this case, the proposal is not being put forth to force a dissident member off the board. It would preclude an arbitrary increase in board size, and it may enable the board to operate more efficiently.

Vote FOR Item 2. *US Standard Policy*

Item 3: Declassify the Board of Directors — FOR

This item seeks shareholder approval to amend the company's certificate of incorporation to repeal the classified board structure and establish annual elections of all directors.

The board currently comprises three director classes, each of which serves a three-year term. If the shareholders approve the proposed amendment, the classified board will be eliminated,the current term of each director will end at the next annual meeting of shareholders, and directors will thereafter be elected for one-year terms at each annual meeting of shareholders. Any director chosen as a result of a newly created directorship or vacancy on the board will hold office until the next annual meeting of shareholders.

The ability to elect directors is the single most important use of the shareholder franchise. ISS believes that all directors should be accountable on an annual basis. A classified board can entrench management and effectively preclude most takeover bids or proxy contests.

ISS commends management for submitting this proposal, which demonstrates a commitment to shareholders' interests.

Vote FOR Item 3. *US Standard Policy*

Item 4: Amend Omnibus Stock Plan — AGAINST

PROPOSAL

Amend **Equity Compensaton Plan** to reserve 2,000,000 additional shares.

Vote Requirement: Majority of votes cast (abstentions and broker non-votes count against)

Vote Recommendation:	**AGAINST**
Shareholder Value Transfer	9%
Company-Specific Allowable Cap	5%
Repricing	Prohibits
3-Yr Average Burn Rate	0.82%
Industry Burn Rate Cap	1.22%
CEO Pay Vs. Performance Disconnect	No
Poor Pay Practices	See Election of Directors section

Analysis Summary:

The plan contains a recycling provision wherein if a participant pays the purchase price of shares subject to an option or applicable taxes by surrendering shares of common stock, the number of shares surrendered shall be added back to the number of shares available for issuance under the plan. Additionally, the plan expressly prohibits the repricing of outstanding awards through reduction of the exercise price or cancellation of outstanding options.

Note that the probable duration of the new plan shares and remaining shares available under the company's equity compensation plans based on the company's unadjusted three-year average burn rate is approximately 27 years. The company failed to disclose the rationale for such a large share reserve relative to its historical use of equity compensation.

Also note that the cost of shares currently available under the company's equity compensation program alone exceeds the company's specific allowable cap.

I. Plan Features

A description and analysis of the plan* follows:

Administrative	
Participation:	Officers, employees, and directors
Eligible Participants:	Approximately 370 eligible
Actual Participants:	Not specified
Expiration:	Feb. 17, 2015
Administration:	Compensation Committee
Awards	
Award Type (Exercise Price):	ISOs (100%), NSOs (100%), SARs, restricted stock awards, restricted stock unit awards, performance stock awards, and performance unit awards
Dividends:	The company may grant dividends on outstanding awards (excluding options and SARs). Dividends are equal in value to the regular dividends paid on the company's common stock to shareholders
Award Limits:	Upon shareholder approval, the maximum number of shares that may be issued with respect to time-lapse restricted stock under the plan is 2,000,000 shares. Time-lapse restricted stock is a restricted stock, restricted stock unit award, or any stock based award. In addition, the maximum number of shares that may be issued with respect to ISOs under the plan is 1,700,000 shares, upon shareholder approval.
Individual Award Limits:	No participant in any plan year may be granted awards covering more than: (i) 500,000 shares with respect to which options or SARs; (ii) 500,000 shares with respect to which stock incentive awards other than

	options or SARs; (iii) 500,000 shares and $10,000,000 with respect to performance stock incentive awards.
Terms & Vesting:	All options must be exercised within ten years from the date of grant.
Payment:	Cash, check, stock, or cashless exercise. The plan does not provide for company loans to participants.
Features	
Repricing:	The plan expressly prohibits repricing. The plan states that, "...the terms of outstanding stock incentives may not be amended to reduce the exercise price of outstanding options or cancel outstanding options in exchange for cash, other stock incentives or options with an exercise price that is less than the exercise price of the original options without company shareholder approval." *(Source: DEF14A filed 28 March 2008, p. C-11)*
Liberal Share Recycling:	The plan allows reuse of shares. The plan states that, "If a participant pays the purchase price of shares subject to an option or applicable taxes by surrendering shares of common stock, the number of shares surrendered shall be added back to the number of shares available for issuance or transfer under the plan so that the maximum number of shares that may be issued or transferred under the plan shall have been charged only for the net number of shares issued or transferred pursuant to the option exercise." *(Source: DEF14A filed 28 March 2008, p. C-8)*
Discretionary Accelerating of Vesting:	The plan administrator has the discretion to accelerate the vesting of outstanding awards.
Change-in-Control:	The plan includes change-in-control provisions. In the event of a change-in-control, outstanding stock incentive awards (including stock bonus awards, performance stock awards, performance unit awards, restricted stock awards, restricted unit awards, options, and SARs) will become exercisable, vested, and payable upon consummation of a change-in-control
Performance Criteria:	Performance-based awards may be subject to one or more of the following performance criteria: (i) increased revenue, (ii) net income measures, including without limitation, income after capital costs, and income before or after taxes, (iii) stock price measures, including without limitation, growth measures and total stockholder return, (iv) market share, (v) earnings per share (actual or targeted growth), (vi) EBITDA, (vii) economic value added, (viii) cash flow measures, including without limitation, net cash flow, and net cash flow before financing activities, (ix) return measures, including without limitation, return on equity, return on average assets, return on capital, risk adjusted return on capital, return on investors' capital and return on average equity, (x) operating measures, including without limitation, operating income, funds from operations, cash from operations, after-tax operating income, sales volumes, production volumes, and production efficiency, (xi) expense measures, including but not limited to, finding and development costs, overhead costs, and general and administrative expense, (xii) margins, (xiii) shareholder value, (xiv) total shareholder return, (xv) reserve addition, (xvi) proceeds from dispositions, (xvii) total market value, and (xviii) corporate value criteria or standards including, without limitation, ethics, environmental and safety compliance.

*The plan document was for review.

II. Dilution			
Shares Outstanding:			104,287,883
Warrants and convertibles:			-
Share allocation from plans:			10,298,030
Fully diluted shares:			114,585,913
	Share Allocation	**Dilution (basic shares outstanding)**	**Dilution (fully diluted shares outstanding)**
New share request:	2,000,000	1.92%	1.75%
Shares available under existing plans:	5,946,341	5.70%	5.19%
Shares subject to	2,351,689	2.25%	2.05%

outstanding awards:			
Total:	10,298,030	9.87%	8.99%

III. Burn Rate

Three-Year Average Burn Rate

The three-year average burn rate analysis is a measure of dilution that shows how rapidly a company is using its shares reserved for equity compensation plans. The higher the annual share usage, the more likely the company will dilute the value of shares held by existing investors. It is calculated as the number of shares granted in each fiscal year, including stock options, stock appreciation rights, restricted stock (units), actual performance shares delivered under the long-term incentive plan or earned deferred shares, to employees and directors divided by the weighted common shares outstanding. Although full value awards and stock options each count as one share of common stock under a company's equity compensation program, an option has less value than a full value award. By applying a premium on full value awards, the value between stock options and full value awards will be equalized based on the annual stock volatility of the company. The "Adjusted" Burn Rate calculation below includes the volatility multiplier. "Unadjusted" burn rate below does not include the multiplier in the burn rate calculation.

ISS recommends voting AGAINST equity plans for companies that have high average three-year burn rates. ISS defines high average three-year burn rate as the following: (1) the company's most recent three-year burn rate exceeds one standard deviation of its GICS group segmented by Russell 3000 index and non-Russell 3000 index and (2) the company's most recent three-year burn rate exceeds two percent of common shares

GICS:	5510 - Utilities
Burn Rate Category:	5510 and Russell 3000
Industry Burn Rate Cap:	1.22%
De Minimis:	2%
Most Recent Annual Stock Volatility:	24%
Volatility Category:	1 Full Value Award = 3.00 Option Shares
3-Yr Average Adjusted Burn Rate:	(0.44% + 0.81% + 1.21%)/3 = 0.82%
Exceed Industry Burn Rate Cap:	No
Exceed De Minimus:	No
ISS Burn Rate Policy:	Passed

Year	**Options/Stock SARs**	**Full Value Awards**	**Options/Stock SARs + Adjusted Full Value Awards**	**Weighted Common Shares Outstanding**	**Adj Burn Rate = Total Granted/CSO**	**Unadjusted Burn Rate = Total Granted/CSO**
2007	-	433,186	1,299,558	107,346,000	1.21%	0.40%
2006	-	303,115	909,345	112,006,000	0.81%	0.27%
2005	-	146,112	438,336	100,536,000	0.44%	0.15%
				Average	0.82%	0.27%

Probable Duration of New Plan Shares and Remaining Shares Available under Existing Plans Based on Unadjusted Three-Year Average Burn Rate: 27 years

IV. Comparison with GICS Group

This section shows a comparison with the company's four-digit GICS group of Utilities. The comparison is only relevant to this section and should be used as a general reference.

	Total Potential Dilution (fully diluted shares outstanding	**Three-year average burn rate**	**Grants to CEO (last fy)**	**Grants to named officers (last fy)**
Oneok, Inc.	8.99%	0.82%	36.94%	51.02%
GICS median	5.98%	0.56%	15.47%	33.99%
GICS average	6.23%	0.50%	16.93%	37.44%
GICS 75th percentile	7.85%	1.02%	24.03%	51.59%

Note: Greater than 25 percent of equity awards granted during the fiscal year 2007 were to the CEO and named executive officers.

V. Cost-based analysis

There are multiple pay plans on this ballot. If the cost of each pay plan is within the allowable cap, the plans are then examined in aggregate to determine if all of them can be approved. The cost of an individual plan is the incremental cost of the new plan in addition to the company's ongoing plans. Doing so ensures that the costs associated with shares available for issue and granted, but unexercised shares are not double counted. ISS recommends voting for those plans that, when combined, allow the company the greatest value without exceeding the company's allowable cap and without violating the repricing guidelines.

ISS evaluates equity-based compensation plans using a cost-based analysis. The cost of an equity plan is expressed in terms of shareholder value transfer (SVT), which is measured using a binomial model that assesses the amount of shareholders' equity flowing out of the company to participants as options are exercised and/or restrictions on awards are lapsed. The binomial model is at the forefront of valuation tools for employee stock options. ISS analyses express SVT in dollar terms and as a percent of market value. The total cost of all plans is compared to a company specific cap, based on the industry and on the company's performance.

Shareholder Value Transfer

Shareholder Value Transfer (SVT)	9%
Company-Specific Allowable Cap	5%
Stock Exchange:	NYSE
200-day avg. as of quarterly data download	$48.28
Shares outstanding:	104,287,883
Market Value:	$5,035,018,991

	Share Allocation	Average Award Value	SVT ($)	SVT (as % of market value)
A:	2,000,000	X $48.28	= $96,560,000	1.92%
B:	5,946,341*	X $48.28	= $287,089,343	5.69%
C:	2,351,689	X $38.48	= $90,492,475	1.80%
Total:	**10,298,030**		**= $474,141,818**	**9.41%**

A = Shares reserved for plan/amendment;

B = Shares available for grant, all plans;

C = Granted but unexercised.

**Includes 817,363 shares remaining available for time-lapse restricted stock incentive awards, 55,648 shares under the Employee Stock Award Program, and 1,170,987 shares under the Long-Term Incentive Plan*

***Includes: (i) 461,627 non-vested restricted stock units and (ii) 936,916 non-vested performance units as of Dec. 31, 2007*

Note: The plan allows reuse of shares. As such, ISS values all newly requested shares and shares available for issuance under all of a company's equity plans as full-value awards.

VI. Multiple Plan Notes

The company has submitted multiple equity plan proposals for shareholder approval. The aggregate shareholder value transfer for all plans is 9 percent, which is above the company's allowable cap of 5 percent.

VII. Grant Practices

The company has a Long-Term Incentive Plan (LTI) and an Equity Compensation Plan (ECP) which provides for grants in the form of ISOs, NSOs, stock bonus awards, restricted stock awards, restricted stock incentive unit awards, and performance unit awards. The company has not granted new stock options or granted restricted stock awards since 2003. Instead, the company granted awards in the form of restricted stock units and performance stock units. All stock option grants under the LTI Plan are made at an exercise price equal to the fair market value on the grant date.

Restricted stock incentive unit awards granted under the LTI Plan in 2004 and 2005 do not pay dividends and vest three years from the date of grant, at which time the grantee is entitled to receive two-thirds of the grant in shares of the company's common stock and one-third of the grant in cash.

Performance unit awards granted under the LTI Plan in 2004 and 2005 do not pay dividends and vest three years from the date of grant, at which time the grantee is entitled to receive a percentage of the performance units, ranging from zero to 200 percent (in 50 percent increments), based on the company's ranking for total shareholder return compared to the total shareholder return of a peer group.

To date, no restricted stock or stock options have been granted under the Equity Compensation Plan. The allocation of the annual long-term incentives granted in 2006 and 2007 averaged 77 percent and 55 percent in performance awards, respectively, and 23 percent and 45 percent in restricted awards, respectively, reflecting a shift to deliver more value in performance awards than in restricted awards.

VIII. Vote Recommendation

We commend the company for expressly forbidding the repricing of stock options under the plan. However, the estimated shareholder value transfer of the company's plans of **9 percent** is above the allowable cap for this company of **5 percent**.

Vote AGAINST Item 4. *US Standard Policy*

Item 5: Amend Qualified Employee Stock Purchase Plan FOR

This item seeks shareholder approval of an amendment to the company's **Employee Stock Purchase Plan** that would increase the number of authorized shares by 1,000,000, or 0.96 percent of the outstanding shares.

The plan allows eligible employees to purchase shares of common stock through payroll deductions at 85 percent of the lesser of: (1) the fair market value of the stock at the beginning of the offering period; or (2) the fair market value of the stock at the end of the offering period. The plan is intended to qualify as an employee stock purchase plan under Section 423 of the Internal Revenue Code. Terms of the plan are as follows:

Increase in shares:	1,000,000 shares
Percentage of outstanding shares:	0.96 percent
Current authorization:	625,901 shares
Total available post-increase:	1,625,901 shares
Percentage of outstanding shares:	1.66 percent
Last increase:	May 19, 2005
Eligible participants:	All employees
Number of participants:	Approximately 4,561 eligible and 2,879 actual participants
Purchase price:	85 percent of fair market value
Expiration date:	Not specified
Contribution limitations:	Ten percent of salary
Dollar limitations on purchases:	$25,000 in any calendar year
Share limitation:	Not specified
Offering period:	27 months

Stock purchase plans enable employees to become shareholders, which gives them a stake in the company's growth. However, purchase plans are beneficial only when they are well balanced and in the best interests of all shareholders. From a shareholder's perspective, plans with offering periods of 27 months or less, as recommended by Section 423 of the Internal Revenue Code, are preferable. Plans with longer offering periods remove too much of the market risk and could give participants excessive discounts on their stock purchases that are not offered to other shareholders.

ISS approves of this item because the plan complies with Section 423 of the Internal Revenue Code, the number of shares being added is relatively conservative, the offering period is reasonable, and there are limitations on participation.

Vote FOR Item 5. *US Standard Policy*

Item 6: Amend Restricted Stock Plan — AGAINST

PROPOSAL

Amend **Employee Stock Award Program** to reserve 100,000 additional shares.

Vote Requirement: Majority of votes cast (abstentions and broker non-votes count against)

Vote Recommendation:	**AGAINST**
Shareholder Value Transfer	8%
Company-Specific Allowable Cap	5%
Repricing	Not Applicable
3-Yr Average Burn Rate	0.82%
Industry Burn Rate Cap	1.22%
CEO Pay Vs. Performance Disconnect	No
Poor Pay Practices	See Election of Directors section

Analysis Summary:

In October 2000, the board approved the company;s Employee Stock Award Program which provides for the issuance of one share of common stock when the per share closing price of common stock on the New York Stock Exchange (NYSE) was for the first time $26 per share, and one additional share of common stock to all employees when the closing price of common stock on the NYSE is for the first time at or above each one dollar increment above $26 per share.

Note that the probable duration of the new plan shares and remaining shares available under the company’s equity compensation plans based on the company's unadjusted three-year average burn rate is approximately 21 years. The company failed to disclose the rationale for such a large share increase relative to its historical use of equity compensation.

Also note that the cost of shares currently available under the company's equity compensation program alone exceeds the company's specific allowable cap.

I. Plan Features

A description and analysis of the plan* follows:

Administrative	
Participation:	All employees
Eligible Participants:	Approximately 4,561 eligible
Actual Participants:	Not specified
Expiration:	Not specified
Administration:	Not specified
Awards	
Award Type:	Stock awards
Change-in-Control:	Not specified
Performance Criteria:	No awards are subject to performance criteria.

*The plan document was not available for review.

II. Dilution

Shares Outstanding:			104,287,883
Warrants and convertibles:			-
Share allocation from plans:			8,398,030
Fully diluted shares:			112,685,913
	Share Allocation	**Dilution (basic shares outstanding)**	**Dilution (fully diluted shares outstanding)**
New share request:	100,000	0.10%	0.09%

Shares available under existing plans:	5,946,341	5.70%	5.28%
Shares subject to outstanding awards:	2,351,689	2.25%	2.09%
Total:	8,398,030	8.05%	7.45%

III. Burn Rate

Three-Year Average Burn Rate

The three-year average burn rate analysis is a measure of dilution that shows how rapidly a company is using its shares reserved for equity compensation plans. The higher the annual share usage, the more likely the company will dilute the value of shares held by existing investors. It is calculated as the number of shares granted in each fiscal year, including stock options, stock appreciation rights, restricted stock (units), actual performance shares delivered under the long-term incentive plan or earned deferred shares, to employees and directors divided by the weighted common shares outstanding. Although full value awards and stock options each count as one share of common stock under a company's equity compensation program, an option has less value than a full value award. By applying a premium on full value awards, the value between stock options and full value awards will be equalized based on the annual stock volatility of the company. The "Adjusted" Burn Rate calculation below includes the volatility multiplier. "Unadjusted" burn rate below does not include the multiplier in the burn rate calculation.

ISS recommends voting AGAINST equity plans for companies that have high average three-year burn rates. ISS defines high average three-year burn rate as the following: (1) the company's most recent three-year burn rate exceeds one standard deviation of its GICS group segmented by Russell 3000 index and non-Russell 3000 index and (2) the company's most recent three-year burn rate exceeds two percent of common shares

GICS:	5510 - Utilities
Burn Rate Category:	5510 and Russell 3000
Industry Burn Rate Cap:	1.22%
De Minimis:	2%
Most Recent Annual Stock Volatility:	24%
Volatility Category:	1 Full Value Award = 3.00 Option Shares
3-Yr Average Adjusted Burn Rate:	(0.44% + 0.81% + 1.21%)/3 = 0.82%
Exceed Industry Burn Rate Cap:	No
Exceed De Minimus:	No
ISS Burn Rate Policy:	Passed

Year	**Options/Stock SARs**	**Full Value Awards**	**Options/Stock SARs + Adjusted Full Value Awards**	**Weighted Common Shares Outstanding**	**Adj Burn Rate = Total Granted/CSO**	**Unadjusted Burn Rate = Total Granted/CSO**
2007	-	433,186	1,299,558	107,346,000	1.21%	0.40%
2006	-	303,115	909,345	112,006,000	0.81%	0.27%
2005	-	146,112	438,336	100,536,000	0.44%	0.15%
				Average	0.82%	0.27%

Probable Duration of New Plan Shares and Remaining Shares Available under Existing Plans Based on Unadjusted Three-Year Average Burn Rate: 21 years

IV. Comparison with GICS Group

This section shows a comparison with the company's four-digit GICS group of Utilities. The comparison is only relevant to this section and should be used as a general reference.

	Total Potential Dilution (fully diluted shares outstanding	**Three-year average burn rate**	**Grants to CEO (last fy)**	**Grants to named officers (last fy)**
Oneok, Inc.	7.45%	0.82%	36.94%	51.02%
GICS median	5.98%	0.56%	15.47%	33.99%
GICS average	6.23%	0.50%	16.93%	37.44%
GICS 75th percentile	7.85%	1.02%	24.03%	51.59%

Note: Greater than 25 percent of equity awards granted during the fiscal year 2007 were to the CEO and named executive officers.

V. Cost-based analysis

ISS evaluates equity-based compensation plans using a cost-based analysis. The cost of an equity plan is expressed in terms of shareholder value transfer (SVT), which is measured using a binomial model that assesses the amount of shareholders' equity flowing out of the company to participants as options are exercised and/or restrictions on awards are lapsed. The binomial model is at the forefront of valuation tools for employee stock options. ISS analyses express SVT in dollar terms and as a percent of market value. The total cost of all plans is compared to a company specific cap, based on the industry and on the company's performance.

Shareholder Value Transfer

Shareholder Value Transfer (SVT)	8%
Company-Specific Allowable Cap	5%
Stock Exchange:	NYSE
200-day avg. as of quarterly data download	$48.28
Shares outstanding:	104,287,883
Market Value:	$5,035,018,991

	Share Allocation	Average Award Value	SVT ($)	SVT (as % of market value)
A:	100,000	X $48.28	= $4,828,000	0.10%
B:	5,946,341*	X $48.28	= $287,089,343	5.69%
C:	2,351,689**	X $38.48	= $90,492,475	1.80%
Total:	**8,398,030**		**= $382,409,818**	**7.59%**

A = Shares reserved for plan/amendment;

B = Shares available for grant, all plans;

C = Granted but unexercised.

**Includes 817,363 shares remaining available for time-lapse restricted stock incentive awards, 55,648 shares under the Employee Stock Award Program, and 1,170,987 shares under the Long-Term Incentive Plan*

***Includes: (i) 461,627 non-vested restricted stock units and (ii) 936,916 non-vested performance units as of Dec. 31, 2007*

VI. Grant Practices

The company has a Long-Term Incentive Plan (LTI) and an Equity Compensation Plan (ECP) which provides grants in the form of ISOs, NSOs, stock bonus awards, restricted stock awards, restricted stock incentive unit awards, and performance unit awards. The company has not granted new stock options or granted restricted stock awards since 2003. Instead, the company granted awards in the form of restricted stock units and performance stock units. All stock option grants under the LTI Plan were made at an exercise price equal to the fair market value on the grant date.

Restricted stock incentive unit awards granted under the LTI Plan in 2004 and 2005 do not pay dividends and vest three years from the date of grant, at which time the grantee is entitled to receive two-thirds of the grant in shares of the company's common stock and one-third of the grant in cash. Performance unit awards granted under the LTI Plan in 2004 and 2005 do not pay dividends and vest three years from the date of grant, at which time the grantee is entitled to receive a percentage of the performance units, ranging from zero to 200 percent (in 50 percent increments), based on the company’s ranking for total shareholder return compared to the total shareholder return of a peer group.

To date, no restricted stock or stock options have been granted under the Equity Compensation Plan. The allocation of the annual long-term incentives granted in 2006 and 2007 averaged 77 percent and 55 percent in performance awards, respectively, and 23 percent and 45 percent in restricted awards, respectively, reflecting a shift to deliver more value in performance awards than in restricted awards.

VII. Vote Recommendation

The estimated shareholder value transfer of the company's plans of **8 percent** is above the allowable cap for this company of **5 percent**.

Vote AGAINST Item 6. *US Standard Policy*

Item 7: Ratify Auditors FOR

The board recommends that PricewaterhouseCoopers LLP be approved as the company's independent accounting firm for the coming year. Note that the auditor's report contained in the annual report is unqualified, meaning that in the opinion of the auditor, the company's financial statements are fairly presented in accordance with generally accepted accounting principles.

Vote FOR Item 7. *US Standard Policy*

Item 8: Adopt Quantitative GHG Goals From Operations FOR

The California State Teachers Retirement System (CalSTRS) and Calvert Asset Management Co. have submitted a precatory shareholder proposal requesting the company prepare a report on the feasibility of adopting quantitative goals, based on current and emerging technologies, for reducing total greenhouse gas (GHG) emissions from the company's operations. The report should omit proprietary information, be prepared at reasonable cost, and be submitted to shareholders by Dec. 31, 2008.

Proponents' Position
The supporters note that ONEOK owns and operates natural gas pipelines in the United States and that unaccounted losses of natural gas from intrastate pipelines and gathering systems may be a significant source of raw methane emissions into the surrounding soils and the atmosphere. The filers contend that while there are Federal caps for allowable amount of unaccounted or lost natural gas in interstate pipelines, some states have no cap. The proponents contend that given the fact natural gas contains over 95 percent methane, a GHG that is more than 20 times more effective in trapping heat in the atmosphere than carbon dioxide (CO_2), such losses may have a significant and negative impact on the environment. Providing the mounting scientific and economic implications of climate change, the supporters contend management is best served to carefully assess and disclose all pertinent information on its response to climate change, including taking early action to reduce emissions and prepare for future standards which could provide the company with competitive advantages in a carbon constrained economy.

Management's Position
Because the company is actively addressing the issues raised in this proposal, management does not believe that creating the type of report requested by the proponents would help in the reduction of emissions or in its environmental performance. The company explains that its senior management's climate change strategy focuses on: maintaining an accurate GHG emissions inventory; improving pipelines; developing emission control and carbon sequestration technologies; and analyzing options for future energy investment. Management points to the fact that, coupled with internal initiatives to optimize operational efficiency and reduce fuel usage, ONEOK operating entities participate the distribution sector of the U.S. Environmental Protection Agency's (EPA) Natural Gas STAR Program to voluntarily reduce methane emissions. The company points to its best practices in methane loss reductions which include introducing more efficient facilities, self-imposing permit limits at facilities where operationally feasible, utilizing "hot taps" when making connections, and using electric drivers on select compressor applications. Management notes that it is possible that federal climate change legislation will be enacted, yet the timing and contents of such legislation remain unclear and, as such, it is difficult, if not impossible, to predict the exact nature and requirements of a program due to the many alternatives being considered. For the foregoing reasons, and providing that creating the requested report would increase administrative burdens and costs, management recommends shareholders vote against this proposal.

Background Discussion on Climate Change and Related Shareholder Activism
ISS notes that the 64 global warming and energy efficiency resolutions filed for the 2008 proxy season is a record for shareholder activism on this issue, eclipsing last year's 49 proposals. It appears that approximately 35 of these proposals will make it onto ballots at 2008 annual general meetings. Skeptics of corporate global warming initiatives have filed 15 of this year's proposals, of which support last year was considerably low, averaging only 5 percent. The remaining 2007 climate change and GHG shareholder proposals averaged 19.47 percent support. Scientists have generally agreed that gases released by chemical reactions including the burning of fossil fuels contribute to a "greenhouse effect" that traps the planet's heat. The generally held scientific consensus, as demonstrated by the United Nation's 2007 IPCC study, is that GHGs produced by the rapid consumption of fossil fuels during the industrial age have caused global warming and recent weather crises such as heat waves, severe rainstorms, melting glaciers, rising sea levels, and receding coastlines. The consequences for the global economy could be significant. The U.K. Treasury Department's October 2006 "Stern Review on the Economics of Climate Change" study estimated that if CO_2 emissions are left unabated, climate change could cause a 5 to 20 percent reduction in the projected global gross domestic product by 2050.

In part as a result of the evolution of scientific research around climate change, regulations and legislation related to emissions and climate change have been rapidly developing within the United States and internationally. Since the United Nations (UN) Framework Convention on Climate Change's (UNFCCC) Kyoto Protocol came into force in February 2005, over 175 countries have ratified the agreement and agreed to seek methods for lowering emissions through regulations and market-based trading schemes. Beyond the Kyoto Protocol, a number of other regional initiatives have established more stringent goals and guidelines to address the issue of climate change. In the United States, there are numerous city executives and state legislators that have taken steps to address climate change through advocating or adopting Renewable Portfolio Standards (RPS) and other emissions reduction schemes for industries that operate in their respective cities or states. Of particular note is new legislation in California that caps GHG emissions at 1990 levels by 2020 for major industries in the state, as well as an executive order seeking to reduce the carbon content of motor fuels by 10 percent by 2020. In addition to California, other states on the West Coast and in the Northeast United States have joined together to establish regional caps on emissions or regional carbon trading schemes. At the federal level, increased concern over climate change has led to the submission of a variety of bills in Congress seeking market based approaches to limiting GHG emissions.

In December 2007, delegates from 187 countries met in Bali, Indonesia to discuss negotiations on a post-Kyoto agreement. The conference culminated in the adoption of the "Bali Roadmap," an agreement outlining a two-year negotiation process for a post-2012 international agreement on climate change to be completed by the end of 2009. The U.S. delegates agreed at the last minute to discuss "deep cuts" in future emissions.

In response to concerns over the potential economic impacts of climate change, an increasing number of companies have developed well-articulated stances on climate change and report information about their GHG emissions and other related environmental matters in a number of formats. However, the appropriate level and format of these reports, the timetable for reaching standards, and the acceptable cost of reaching these standards remain issues of contention. The Carbon Disclosure Project (CDP) is increasingly being viewed as the most comprehensive questionnaire to corporations on how they are managing their risks and opportunities relating to climate change. The CDP is a nonprofit organization which conducts an annual climate change survey seeking information on climate risks and opportunities from companies on behalf of an investor coalition of 385 firms with $57 trillion in assets under management.

At the federal level, increased concern over climate change has led to the submission of a variety of bills in Congress seeking market based approaches to limiting GHG emissions. Additionally, the Energy Independence and Security Act were signed into law in December 2007. The purpose of the act is "to move the U.S. toward greater energy independence and security, to increase the production of clean renewable fuels, to protect consumers, to increase the efficiency of products, buildings, and vehicles, to promote research on and deploy GHG capture and storage options, and to improve the energy performance of the Federal Government, and for other purposes." Key energy savings provisions of the Act include improved standards for appliance and lighting and new initiatives for promoting conservation in buildings and industry.

December 2007, the Lieberman-Warner bill became the first piece of U.S. federal climate change legislation to pass the Senate Environment and Public Works Committee. The bill includes a proposed cap-and-trade system that aims for a 66 percent reduction in GHG emissions by 2050, and sets the strongest short-term targets of any proposed bill thus far. The legislation also proposes a low-carbon fuel standard and protects the rights of states to adopt more stringent standards than federal regulation.

ISS Analysis
ISS generally supports proposals that create good corporate citizens while enhancing shareholder value. In addition, ISS supports disclosure reports that seek to provide additional information to shareholders when it appears that companies have not adequately addressed shareholders' concerns. When reviewing requests for reports on GHG emissions or climate change policies, we evaluate whether adoption of the proposal would have either a positive or negative impact on short-term or long-term shareholder value. We also examine the structure of the proposal and the company's current level of disclosure. ISS also looks at the company's record on GHG emissions and other established environmental polices.

ISS notes that ONEOK's existing climate change and GHG emissions disclosure in its 2007 annual report is largely similar to the information management provides in its response in the 2008 proxy statement. Beyond a summarization of its aforementioned climate change strategies and noting that certain operating entities participate in EPA's Natural Gas Star voluntary partnership, ONEOK does not appear to disclose specific initiative details, oversight mechanisms, or performance goals and metrics relating to its stated climate change strategies and programs. Beyond this limited information, ISS is concerned about ONEOK's limited disclosure on climate change and GHG emissions issues. Other companies potentially impacted by developing legislation, public opinion, and/or market reactions to climate change and GHG emissions have developed detailed policy positions, substantially implemented GHG emissions reduction initiatives, established comprehensive GHG emissions reduction goals and metrics, and provided more thorough disclosure to shareholders on these topics.

Conclusion
In this case, the proponents are requesting ONEOK to report on the feasibility of adopting quantitative GHG

goals from the company's operations. ISS notes that this resolution does not establish prescriptive goals or timeframes by dictating the form that these goals should take or specific levels that they believe should be implemented, rather it requests that the company seek to establish appropriate GHG goals in order to help the company mitigate its risk exposure and report to shareholders on this process. In light of potential shifts in the regulatory environment and consumer demand, ISS believes that ONEOK could benefit from establishing GHG emissions reduction goals as a means of guiding its overall strategies. Establishing quantitative GHG emissions reduction goals from its operations may help the company focus its strategic initiatives to meet the challenges ahead while providing shareholders with a means to evaluate the company's performance on this issue and assess the impact that it may have on their investment.

Therefore, based on the potential strategic and reputational value of developing appropriate company-specific operational GHG goals may have on the company and the potential value of creating a report to demonstrate ONEOK's ability to meet future climate change challenges, given the proposal's flexibility to allow management to adopt its own company specific GHG goals, based on the shifting trends by corporations to increasingly adopt climate change policies that include GHG goals, and providing the limited cost and burden of compliance with this resolution, ISS believes that this proposal warrants shareholder support.

Vote FOR Item 8. *US Standard Policy*

Additional Information and Instructions

Oneok, Inc.
100 WEST 5TH ST
TULSA OK 74103
9185887000

Shareholder Proposal Deadline: November 29, 2008

Solicitor: Morrow & Co.

Security ID:682680103 (CUSIP),

Oneok, Inc.

April 30, 2008

Oneok, Inc.

Company Info

Ticker	OKE
Meeting	Annual May 15, 2008
Record Date	March 18, 2008
Incorporated	Oklahoma

Diversified energy company (GICS:55102010)

Shares Held on Record Date	
Shares Voted	
Date Voted	

Shareholder Returns

	1 yr%	3 yr%	5 yr%
Company	6.90	20.32	22.67
Russell 3000	3.30	6.98	11.65
GICS peers	23.26	27.94	28.95

Annualized shareholder returns. Peer group is based on companies inside the same "Global Industry Classification Standard" code

CGQ Rating

Index Score	68
Industry Score	59

OKE outperformed 68% of the companies in the S&P 400 and 59% of the companies in the Utilities group.

ISS calculate governance rankings for more than 8,000 companies worldwide based on up to 63 corporate governance variables.

Recommendations - US Standard Policy

Item	Code*	Proposal	Mgt. Rec.	ISS Rec.	VOTED
1.1	M0201	Elect Director James C. Day	FOR	FOR	
1.2	M0201	Elect Director David L. Kyle	FOR	FOR	
1.3	M0201	Elect Director Bert H. Mackie	FOR	FOR	
1.4	M0201	Elect Director Jim W. Mogg	FOR	FOR	
1.5	M0201	Elect Director Mollie B. Williford	FOR	FOR	
1.6	M0201	Elect Director Julie H. Edwards	FOR	FOR	
2	M0204	Approve Decrease in Size of Board	FOR	FOR	
3	M0215	Declassify the Board of Directors	FOR	FOR	
4	**M0524**	**Amend Omnibus Stock Plan**	**FOR**	**AGAINST**	
5	M0512	Amend Qualified Employee Stock Purchase Plan	FOR	FOR	
6	**M0509**	**Amend Restricted Stock Plan**	**FOR**	**AGAINST**	
7	M0101	Ratify Auditors	FOR	FOR	
8	**S0743**	**Adopt Quantitative GHG Goals From Operations**	**AGAINST**	**FOR**	

*S indicates shareholder proposal